



California Public Utilities Commission

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News Release

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PUC TAKES STEPS FOR LOCAL GOVERNMENTS, COMMUNITIES TO TAKE ACTIVE ROLE IN ENERGY POLICY AND PLANNING

SAN FRANCISCO, September 4, 2003 -- The California Public Utilities Commission (PUC) today took steps to create the process and rules for cities and counties to become community choice aggregators (CCA).

California's energy crisis motivated some local governments and communities to take a more active role in energy policy and planning on behalf of local residents and businesses. In some cases, local governments may be in a position to implement energy programs. Responding to the interest of local governments in energy policy and programs, last year's Assembly Bill 117 allowed local governments, cities, and counties to purchase and sell electricity on behalf of utility customers in their jurisdictions, after they have registered with the Commission.

The legislation is fairly specific about the rules associated with establishing and operating a CCA. While the CCAs will be involved with purchasing electricity, the investor-owned electric utilities will still provide transmission and distribution services, billing, metering, and the primary aspects of customer service. In order to become a CCA, a city or county must meet certain obligations, including filing an implementation plan and statement of intent, meeting the renewable portfolio standard obligation, fulfilling insurance and bond requirements, and ensuring consumer protection and notification.

Today's order provides a proposed structure, and seeks comments from utilities, cities, counties, and other interested parties. In addition, the order contemplates holding a workshop in the near future to identify additional issues to be addressed within this proceeding.

In an energy efficiency rulemaking issued on July 10, 2003, the Commission allowed potential CCAs to apply for a share of Public Goods Charge funding to operate energy efficiency programs. Today's order will allow the Commission to address the larger set of issues associated with establishing and operating CCAs in California.

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